Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Technology, Energy & Communications Committee

HB 2784

Brief Description: Concerning baseload renewable power facilities.

Sponsors: Representatives Finn, Rolfes, Haigh, Upthegrove, McCoy, Chase and Wallace.

Brief Summary of Bill

• Allows a qualifying electric utility, for compliance purposes under the Energy Independence Act (Initiative 937), to count the electricity generated from certain baseload renewable power facilities at double the facility's electrical output.

Hearing Date: 1/20/10

Staff: Scott Richards (786-7156).

Background:

Energy Independence Act (Initiative 937): In 2006 the voters approved the Energy Independence Act (Initiative 937). Initiative 937 requires certain electric utilities with 25,000 or more customers to meet targets for the use of renewable energy resources and energy conservation.

Renewable Resources Targets: Each qualifying utility must either use eligible renewable resources, acquire equivalent renewable energy credits, or a combination of both, to meet the following annual targets:

- at least 3 percent of its load by January 1, 2012, and each year thereafter through December 31, 2015;
- at least 9 percent of its load by January 1, 2016, and each year thereafter through December 31, 2019; and
- at least 15 percent of its load by January 1, 2020, and each year thereafter.

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Multipliers for Distributed Generation and Apprenticeship Programs: Under Initiative 937, qualifying utilities are allowed additional credit toward meeting the renewable resources targets for investments in distributed generation facilities and for investments in facilities that use state-approved apprenticeship programs during construction.

Qualifying utilities may count distributed generation at double the facility's output and the use of apprenticeship programs at one and two-tenths times the renewable resources or renewable energy credit's base value. "Distributed generation" means an eligible renewable resource where the generation facility or any integrated cluster of such facilities has a generating capacity of not more than five megawatts. Apprenticeship programs must be approved by the Washington State Apprenticeship and Training Council.

Summary of Bill:

A qualifying utility may count electrical power generated from a baseload renewable power facility at double the facility's electrical output if the utility develops or contracts with a baseload renewable power facility that begins permitted construction in Washington in 2010.

"Baseload renewable power facility" means a facility that develops electric generation from a renewable resource that is designed and intended to provide electricity at an annualized facility capacity factor of at least 60 percent.

Appropriation: None.

Fiscal Note: Requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.